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10 Zorro Productions, Inc.

ORIGINAL
FILED

MAR 22 2010

E-filing

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND

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13 UNITED STATES DISTRICT COURT
14 NORTHERN DISTRICT OF CALIFORNIA

15
16 ZORRO PRODUCTIONS, INC., a
17 California corporation

18 Plaintiff,

19 v.

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21 MARS, INC., a Delaware corporation,
22 BBDO WORLDWIDE, INC., a New
23 York corporation.

24 Defendants.

25
26 Case No. C10-01179 ADR
27 COMPLAINT and DEMAND FOR
28 JURY TRIAL

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ADR

Plaintiff ZORRO PRODUCTIONS, INC., ("ZPI" or "Plaintiff,") for its
complaint against Defendants, alleges as follows:

JURISDICTION

1. This Court has jurisdiction pursuant to 28 U.S.C., §§ 1331, 1338(a) and (b)
and 15 U.S.C., §1121. This Court has jurisdiction pursuant to 28 U.S.C., § 1367 of
the claims asserted by Plaintiff under the laws of the State of California.

INTRADISTRICT ASSIGNMENT

2. Pursuant to Civil L.R. 3-2(c), this matter is an Intellectual Property Action
and is subject to district wide assignment, notwithstanding a substantial part of the
events giving rise to the cause of the action occurred in Alameda County and a
substantial part of the property that is the subject of the action is situated in Alameda
County, which makes Oakland and/or San Francisco the proper assignment pursuant
to Civil L.R. 3-2(d).

VENUE

13 3. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b)
14 because Defendants transact business and purposefully avail themselves of the
15 benefits of being in this judicial district, a substantial part of the events giving rise to
16 the claim occurred in this judicial district and a substantial part of the property that is
17 the subject of the action is situated in this district.
18

PARTIES

24 5. Defendant MARS, INC. is a Delaware corporation, and ZPI alleges, upon
25 information and belief, that its principal place of business is in the State of Virginia.
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1 6. Defendant BBDO WORLDWIDE, INC., is a New York corporation, and
2 ZPI alleges, upon information and belief, that its principal place of business is in the
3 State of New York.
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5 7. Plaintiff is unaware of the true names and capacities whether individual,
6 corporate, associate or otherwise of Defendants' other agents, employees, joint-
7 venturers, vendors, employers and partners, including but not limited to production
8 companies, and therefore, Plaintiff will seek leave of the Court to amend this
9 Complaint to allege those Defendants when the same have been ascertained.
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11 8. Plaintiff is informed and believes, and based thereon alleges, that in
12 performing the acts that give rise to this Complaint each of the Defendants named
13 herein was the agent, employee, joint-venturer, employer, partner, manager or
14 controlling entity of the other Defendant, and in doing the things hereinafter alleged,
15 was acting within the course and scope of such relationship. Plaintiff further alleges
16 that each of the Defendants named herein authorized, consented to and ratified all of
17 the alleged conduct, acts and omissions by the remaining Defendant with both actual
18 and constructive knowledge of said conduct.
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1 **FIRST CAUSE OF ACTION**
2 **Violation of Lanham Act § 43(a)**
3 **(By ZPI Against All Defendants)**

4 9. Plaintiff incorporates by reference Paragraphs 1 through 8 of the Complaint
5 as if set forth in full herein.
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7 10. ZPI is the owner of all rights, including without limitation, trademarks and
8 trade dress, both registered and unregistered, associated with "Zorro," the well-
9 known fictitious character who has been widely popularized by ZPI and its licensees
10 through depictions in, among other media, feature films, television programs, novels
11 and comic books. ZPI and its licensees have extensively marketed, publicized and
12 promoted "Zorro" through the use of distinctive depictions featuring "Zorro" as a
13 masked fighter for justice, dressed in black, wearing a flat Cordoba hat and a cape,
14 and brandishing a sword by which he generates the distinctive and separately
15 trademarked "Z" and/or "Zorro."
16

17 11. ZPI and its licensees have expended considerable effort and sums of
18 money developing, advertising and marketing their distinctive character of "Zorro."
19 As a result of ZPI's and its licensees' activities, the trade and public at large have
20 come to identify the "Zorro" character, trademarks and trade dress with ZPI's and its
21 licensees' businesses. The "Zorro" character, trademarks and trade dress have
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1 acquired secondary meaning by which "Zorro" is associated with Plaintiff and its
2 licensees and their goods and services.
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4 12. Defendants have developed, produced, adapted, distributed and exhibited
5 to the public in this district and in other locations in the United States television
6 commercials for the "M&M" candies which incorporate the "Zorro" character, by
7 using an actor wearing a trademarked "Zorro" Halloween costume in the
8 commercial. Defendants have also falsely and without authorization placed on the
9 unauthorized "Zorro" character in the television commercial Defendant Mars, Inc.'s
10 claim of ownership by placing its own trademark or other symbol of registration over
11 the actor wearing the trademarked "Zorro" Halloween costume. Defendants'
12 conduct of using the Zorro Halloween costume and placing its own registration mark
13 over it in the television commercial is confusingly similar to ZPI's protected "Zorro"
14 character, trademark and trade dress. Defendants' conduct has affected and will
15 affect interstate commerce.
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18 13. Defendants' conduct has confused and is likely to confuse the public and
19 constitutes false designation of origin and false representation and description in
20 violation of Lanham Act § 43(a), 15 U.S.C. § 1125(a). Irreparable harm to ZPI is
21 imminent as a result of defendants' conduct, and ZPI is without an adequate remedy
22 at law. ZPI is entitled to an injunction restraining defendants, their officers,
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1 directors, agents, employees, representatives, partners and all other persons acting in
2 concert with them, from engaging in further such acts.
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4 14. ZPI is further entitled to recover from defendants the damages sustained
5 by ZPI as a result of defendants' acts. ZPI is presently unable to ascertain the full
6 extent of the monetary damages it has suffered by reason of defendants' acts, but ZPI
7 is informed and believes, and based thereon alleges, that ZPI has sustained damages
8 in an amount exceeding \$500,000.
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10 15. ZPI is further entitled to recover from defendants the gains, profits and
11 advantages they have obtained as a result of their said acts. ZPI is presently unable
12 to ascertain the full extent of the gains, profits and advantages defendants have
13 obtained by reason of their said acts, but ZPI is informed and believes, and based
14 thereon alleges, that defendants have obtained such gains, profits and advantages in
15 an amount exceeding \$500,000.
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17 16. ZPI is informed and believes and thereon alleges that defendants' acts are
18 intentional and were committed by defendants with the deliberate intent to trade on
19 ZPI's and its licensees' marks, trade dress and goodwill.
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21 WHEREFORE, Plaintiff prays for judgment against Defendants as set forth
22 more fully below.
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SECOND CAUSE OF ACTION
Violation of Lanham Act § 32
(Against All Defendants)

17. Plaintiff incorporates by reference Paragraphs 1 through 16 of the Complaint as if set forth in full herein.

18. ZPI is the owner of various trademarks registered with the United States Patent and Trademark Office pertaining to "Zorro," including, without limitation, Registration No. 2,401,205, issued to ZPI on November 7, 2000, for the word "Zorro" found on its and its licensees' Halloween costumes. ZPI is informed and believes and thereon alleges, that this includes the hang tag on the "Zorro" Halloween costume used without authorization by defendants in their television commercial.

19. Said registration is incontestable, is on the principal register, is in full force and effect and is owned by ZPI.

20. ZPI is the owner of other trademarks registered with the United States Patent and Trademark Office pertaining to "Zorro," including pictorial depictions of "Zorro," dressed in black, wearing a flat Cordoba hat, a mask and a cape such as that used by the defendants in their television commercial.

21. Defendants have developed, produced, adapted, distributed and exhibited to the public in this district and in other locations in the United States television

1 commercials for the "M&M" candies which incorporate the "Zorro" character, by
2 using an actor wearing a trademarked "Zorro" Halloween costume in the
3 commercial. Defendants have also falsely and without authorization placed on the
4 unauthorized "Zorro" character in the television commercial Defendant Mars, Inc.'s
5 claim of ownership by placing its own trademark or other symbol of registration over
6 the actor wearing the trademarked "Zorro" Halloween costume. Defendants'
7 conduct of using the Zorro Halloween costume and placing its own registration mark
8 over it in the television commercial is confusingly similar to ZPI's protected "Zorro"
9 character, trademark and trade dress. Defendants' conduct has affected and will
10 affect interstate commerce.

15 22. Defendants' conduct has confused and is likely to confuse the public and
16 constitutes false designation of origin and false representation and description in
17 violation of Lanham Act § 32, 15 U.S.C. § 1114(1). Irreparable harm to ZPI is
18 imminent as a result of defendants' conduct, and ZPI is without an adequate remedy
19 at law. ZPI is entitled to an injunction restraining defendants, their officers,
20 directors, agents, employees, representatives and all other persons acting in concert
21 with them, from engaging in further such acts.

25 23. ZPI is further entitled to recover from defendants the damages sustained
26 by ZPI as a result of defendants' acts. ZPI is presently unable to ascertain the full
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1 extent of the monetary damages it has suffered by reason of defendants' acts, but ZPI
2 is informed and believes, and based thereon alleges, that ZPI has sustained damages
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4 in an amount exceeding \$500,000.

5 24. ZPI is further entitled to recover from defendants the gains, profits and
6
7 advantages they have obtained as a result of their said acts. ZPI is presently unable
8 to ascertain the full extent of the gains, profits and advantages defendants have
9 obtained by reason of their said acts, but ZPI is informed and believes, and based
10 thereon alleges, that defendants have obtained such gains, profits and advantages in
11 an amount exceeding \$500,000.
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14 25. ZPI is informed and believes and thereon alleges that defendants' acts are
15 intentional and were committed by defendants with the deliberate intent to trade on
16 ZPI's and it licensees' marks, trade dress and goodwill.
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18 WHEREFORE, Plaintiff prays for judgment against Defendants as set forth
19
20 more fully below.

**THIRD CAUSE OF ACTION
Dilution Under Lanham Act §43(c)
(Against All Defendants)**

24 26. Plaintiff incorporates by reference Paragraphs 1 through 25 of the
25
26 Complaint as if set forth in full herein.

1 27. ZPI and its licensees have expended considerable effort and sums of
2 money developing, advertising and marketing their distinctive character of "Zorro."
3
4 As a result of ZPI's and its licensees' activities, the "Zorro" character, trademarks
5 and trade dress have become so widely recognized and readily associated with ZPI's
6 and their licensees' businesses that the "Zorro" character, and the trademarks and
7 trade dress associated with "Zorro," are entitled to be recognized as famous marks
8 under the Federal Trademark Dilution Revision Act of 2006, 15 U.S.C. § 1125(c).
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11 28. Defendants have developed, produced, adapted, distributed and exhibited
12 to the public in this district and in other locations in the United States television
13 commercials for the "M&M" candies which incorporate the "Zorro" character, by
14 using an actor wearing a trademarked "Zorro" Halloween costume in the
15 commercial. Defendants have also falsely and without authorization placed on the
16 unauthorized "Zorro" character in the television commercial Defendant Mars, Inc.'s
17 claim of ownership by placing its own trademark or other symbol of registration over
18 the actor wearing the trademarked "Zorro" Halloween costume. Defendants'
19 conduct of using the Zorro Halloween costume and placing its own registration mark
20 over it in the television commercial dilutes the distinctive quality of the "Zorro"
21 character, trademark and trade dress, and goodwill associated with them in violation
22 of 15 U.S.C. § 1125 (c).
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1 29. Irreparable harm to ZPI is imminent as a result of defendants' conduct and
2 ZPI is without an adequate remedy at law. ZPI is entitled to an injunction restraining
3 defendants, their officers, directors, agents, employees, representatives and all other
4 persons acting in concert with them, from engaging in further such acts.
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6 30. ZPI is further entitled to recover from defendants the damages sustained
7 by ZPI as a result of defendants' acts. ZPI is presently unable to ascertain the full
8 extent of the monetary damages it has suffered by reason of defendants' acts, but ZPI
9 is informed and believes, and based thereon alleges, that ZPI has sustained damages
10 in an amount exceeding \$500,000.
11

12 31. ZPI is further entitled to recover from defendants the gains, profits and
13 advantages they have obtained as a result of their said acts. ZPI is presently unable
14 to ascertain the full extent of the gains, profits and advantages defendants have
15 obtained by reason of their said acts, but ZPI is informed and believes, and based
16 thereon alleges, that defendants have obtained such gains, profits and advantages in
17 an amount exceeding \$500,000.
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19 32. ZPI is informed and believes and thereon alleges that defendants' acts are
20 intentional and were committed by defendants with the deliberate intent to trade on
21 ZPI's and its licensees' marks, trade dress and goodwill.
22

WHEREFORE, Plaintiff prays for judgment against Defendants as set forth more fully below.

FOURTH CAUSE OF ACTION
Common Law Unfair Competition Under California Law
(Against All Defendants)

33. Plaintiff incorporates by reference Paragraphs 1 through 32 of the Complaint as if set forth in full herein.

34. This claim arises under the unfair competition laws of the State of California. Jurisdiction is conferred upon the Court pursuant to 28 U.S.C. §§ 1338 (b) and 1367.

35. ZPI and its licensees have expended considerable effort and sums of money developing, advertising and marketing their distinctive character of "Zorro." As a result of ZPI's and its licensees' activities, the trade and public at large have come to identify the "Zorro" character, trademarks and trade dress with ZPI's and its licensees' businesses. The "Zorro" character, trademarks and trade dress have acquired secondary meaning by which "Zorro" is associated with Plaintiff and its licensees and their goods and services.

36. Defendants have developed, produced, adapted, distributed and exhibited to the public in this district and in other locations in the United States television commercials for the "M&M" candies which incorporate the "Zorro" character, by

1 using an actor wearing a trademarked "Zorro" Halloween costume in the
2 commercial. Defendants have also falsely and without authorization placed on the
3 unauthorized "Zorro" character in the television commercial Defendant Mars, Inc.'s
4 claim of ownership by placing its own trademark or other symbol of registration over
5 the actor wearing the trademarked "Zorro" Halloween costume. Defendants'
6 conduct of using the Zorro Halloween costume and placing its own registration mark
7 over it in the television commercial is confusingly similar to ZPI's protected "Zorro"
8 character, trademark and trade dress.

12 37. Defendants' conduct has caused, and is likely to cause, public confusion,
13 deception and mistake, and infringes ZPI's rights, including its marks and trade
14 dress, in the "Zorro" character. Irreparable harm to ZPI is imminent as a result of
15 defendants' conduct, and ZPI is without an adequate remedy at law. ZPI is entitled
16 to an injunction restraining defendants, their officers, directors, agents, employees,
17 representatives and all other persons acting in concert with them, from engaging in
18 further such acts.

22 38. ZPI is further entitled to recover from defendants the damages sustained
23 by ZPI as a result of defendants' acts. ZPI is presently unable to ascertain the full
24 extent of the monetary damages it has suffered by reason of defendants' acts, but ZPI
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1 is informed and believes, and based thereon alleges, that ZPI has sustained damages
2 in an amount exceeding \$500,000.
3

4 39. ZPI is further entitled to recover from defendants the gains, profits and
5 advantages they have obtained as a result of their said acts. ZPI is presently unable
6 to ascertain the full extent of the gains, profits and advantages defendants have
7 obtained by reason of their said acts, but ZPI is informed and believes, and based
8 thereon alleges, that defendants have obtained such gains, profits and advantages in
9 an amount exceeding \$500,000.
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11

12 40. ZPI is informed and believes and thereon alleges that defendants' acts are
13 intentional and were committed by defendants with the deliberate intent to trade on
14 ZPI's and its licensees' marks, trade dress and goodwill.
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17 WHEREFORE, Plaintiff prays for judgment against Defendants as set forth
18 more fully below.
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FIFTH CAUSE OF ACTION
21 **Violation of California Business and Professions Code §§ 14245, 14247 and**
17200, *et. seq.*
22 **(Against All Defendants)**
23

24 41. Plaintiff incorporates by reference Paragraphs 1 through 40 of the
25 Complaint as if set forth in full herein.
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1 42. This claim arises under the unfair competition laws of the State of
2 California. Jurisdiction is conferred upon the Court pursuant to 28 U.S.C. §§ 1338
3 (b) and 1367.

5 43. ZPI and its licensees have expended considerable effort and sums of
6 money developing, advertising and marketing their distinctive character of "Zorro."
7 As a result of ZPI's and its licensees' activities, the trade and public at large have
8 come to identify the "Zorro" character, trademarks and trade dress with ZPI's and its
9 licensees' businesses. The "Zorro" character, trademarks and trade dress have
10 acquired secondary meaning by which "Zorro" is associated with Plaintiff and its
11 licensees and their goods and services.

15 44. As a result of ZPI's and its licensees' activities, the "Zorro" character,
16 trademarks and trade dress have become so widely recognized and readily associated
17 with ZPI's and their licensees' businesses that the "Zorro" character, and the
18 trademarks and trade dress associated with "Zorro," are entitled to be recognized as
19 famous marks under California Business and Professions Code § 14247.

23 45. Defendants have developed, produced, adapted, distributed and exhibited
24 to the public in this district and in other locations in the United States television
25 commercials for the "M&M" candies which incorporate the "Zorro" character, by
26 using an actor wearing a trademarked "Zorro" Halloween costume in the
27

1 commercial. Defendants have also falsely and without authorization placed on the
2 unauthorized “Zorro” character in the television commercial Defendant Mars, Inc.’s
3 claim of ownership by placing its own trademark or other symbol of registration over
4 the actor wearing the trademarked “Zorro” Halloween costume. Defendants’
5 conduct of using the Zorro Halloween costume and placing its own registration mark
6 over it in the television commercial is confusingly similar to ZPI’s protected “Zorro”
7 character, trademark and trade dress.
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10 46. Such acts of Defendants as described above constitute unfair, unlawful
11 and fraudulent business practices and constitute violations of California Business
12 and Professions Code §17200.

13 47. Defendants’ conduct, in violation of California Business and Professions
14 Code §§14245, 14247 and 17200, *et. seq.*, has caused, and is likely to cause, public
15 confusion, deception, mistake and infringes ZPI’s rights and dilutes the distinctive
16 quality of the “Zorro” character, including its trademarks and trade dress, and good
17 will associated with them.

18 48. Irreparable harm to ZPI is imminent as a result of defendants’ conduct,
19 and ZPI is without an adequate remedy at law. ZPI is entitled to an injunction
20 restraining defendants, their officers, directors, agents, employees, representatives
21 and all other persons acting in concert with them, from engaging in further such acts.
22
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49. ZPI is further entitled to recover from defendants the damages sustained by ZPI as a result of defendants' acts. ZPI is presently unable to ascertain the full extent of the monetary damages it has suffered by reason of defendants' acts, but ZPI is informed and believes, and based thereon alleges, that ZPI has sustained damages in an amount exceeding \$500,000.

50. ZPI is further entitled to recover from defendants the gains, profits and advantages they have obtained as a result of their said acts. ZPI is presently unable to ascertain the full extent of the gains, profits and advantages defendants have obtained by reason of their said acts, but ZPI is informed and believes, and based thereon alleges, that defendants have obtained such gains, profits and advantages in an amount exceeding \$500,000.

51. ZPI is informed and believes and thereon alleges that defendants' acts are intentional and were committed by defendants with the deliberate intent to trade on ZPI's and its licensees' marks, trade dress and goodwill.

WHEREFORE, Plaintiff prays for judgment against Defendants as set forth more fully below.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

1 1. That Defendants, their officers, agents, employees, representatives,
2 servants, successors, assigns and all persons, firms, corporations or entities either
3 acting directly or indirectly in concert with them or under their direction, control or
4 authority be permanently enjoined from infringing in any manner Plaintiff's
5 protected rights and property;

6 2. That Defendants be required to deliver to the Court for impoundment and
7 destruction all materials that infringe Plaintiff's rights;

8 3. That Defendants be required to pay to Plaintiff the damages sustained in
9 consequence of Defendants' conduct in an amount according to proof, of at least
10 \$500,000;

11 4. That Defendants be required to account for all gains, profits and advantages
12 derived by Defendants as a result of their infringement of Plaintiff's rights and/or
13 Defendants' unlawful trade practices and/or unfair competition and to pay all profits
14 obtained by Defendants as a consequence of their conduct in an amount, according to
15 proof, of at least \$500,000;

16 5. That Defendants pay to Plaintiff treble and/or punitive damages for their
17 intentional and willful infringements and violations of law;

18 6. That Plaintiff recover its costs and reasonable attorneys' fees;

19 7. For pre-judgment and post-judgment interest;

8. Any penalties provided for by statute not expressly enumerated above; and

9. That Plaintiff be granted such other and further relief as the Court deems

4 || just and proper.

DATED: March 22, 2010

LAW OFFICES OF ROSS L. LIBENSON

By:

ROSS L. LIBENSON

Attorneys for Plaintiff ZORRO PRODUCTIONS, INC.

DEMAND FOR JURY TRIAL

Pursuant to Federal Rule of Civil Procedure 38(b) and Local Rule 3-6(a),

Plaintiff ZPI hereby demands a trial by jury.

DATED: March 22, 2010

LAW OFFICES OF ROSS L. LIBENSON

By:

ROSS L. LIBENSON

Attorneys for Plaintiff ZORRO PRODUCTIONS, INC.